some business houses. But, so far, no specific information regarding setting up of charitable trusts in such territories for the purpose of tax avoidance has come to the notice of the Government.

The Government has taken legislative measures from time to time to curb this tendency of tax avoidance by the means of setting up charitable trusts/ institutions. Restrictions have been imposed regarding investment of funds by charitable trusts| institutions and passing of any direct or indirect benefit to the persons connected with the trusts|institutions. Recently by Direct Tax Laws (Amendment) Act, 1987 many loopholes in this regard have been plugged and the provisions regarding exemption of charitable trusts|institutions have been streamlined. According to the amended law effective from 1-4-1989, such institutions|trusts would be required to submit returns relating to their income by way of donations received etc. and give details about the utilization of such incomes|its investments in the specified modes.

Exemption of Excise Duty on Diesel used in Boats by Fishermen

2408. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI K. V. THANGKABALU:

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government are considering a proposal to exempt excise duty on diesel used in mechanised boats by fishermen; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) No Such proposal is under consideration. High speed diesel oil used in deep-sea fishing vessels which are not less than 13.7 metres in length and using motors not less than 150 BHP is entitled to exemption from 50 per cent of the normal excise duty leviable on such diesel oil. Full exemption from excise duy can be claimed in such cases if proof of exports of shrimp at the rate of 1 tonne for every 1.08 KL of diesel used is produced. The concessions in excise duty on diesel oil used by mechanised fishing vessels are considered adequate.

Extension of the Life of Maharashtra Raw Cotton Procurement Processing and Marketing Act 1971.

2409. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI PRAMOD MAHAJAN:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Central Government have received a proposal from the Maharashtra Government to accord necessary approval for extending the life of Maharashtra Raw Cotton (Procurement, Processing and Marketing) Act 1971 by a further period of 10 years; and

(b) if so, what decision the Central Government have taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) Yes, Sir.

(b) The Act is valid upto 30.6.1989. A decision will be taken before it expires.

Machinery items required by Cooperative to take all necessary steps with regard to Spinning Mills in Maharashtra

2410. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of TEXTILES be pleased to state:

(a) whether Government are aware that sixteen cooperative spinning mills in Maharashtra are unable to complete the installation of machinery for non-availability of essential machinery items in the context of winding up of the Machinery Manufacturing Corporation; and

(b) what steps have been taken by Government to provide the requisite machinery to the above spinning mills and what steps are being taken to revive the Machinery Manufacturing Corporation?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) There has been some difficulty in supply of machinery by the Machinery Manufacturing Corporation to Cooperative Spinning Mills in Maharashtra.

(b) A Textile Mill can purchase its machinery from anyone of several manufacturers of such machinery. Government do not intervene to provide machinery to textiles mills. The case of the Machinery Manufacturing Corporation is before the Board for Industrial and Financial Reconstruction which is empowered to take all necessary steps with regard to the affairs of a Company under the Sick Industrial Companies Act.

Long Term Loans for Cooperative Spinning Mills in Maharashtra

2411. SHRI MURLIDHAR CHANDRAKANT BHANDARE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Central financing institutions like IDBI and IFCI have refused to sanction long-term loans to eleven cooperative spinning mills for completion of their projects in Maharashtra on which around Rs. 36 crores have already been spent by the State Government and the former members of the cooperative; and

(b) if so, what steps are being taken by Government to ensure necessary finance for these cooperative projects?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) In the context of large spinning capacity already created in the country, the financial institutions have not been in favour of financing new spinning mills. On a careful consideration of 11 unimplemented projects on merits in Maharashtra, the IDBI has sanctioned assistance in one case only.

Import of Silk and Silk Yarn

2412. SHRI RAM NARESH YADAV: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have been importing silk and silk yarn;

(b) if so, what is the quantity imported during 1987;

(c) what is the present stock of imported silk yarn; and

(d) what are the reasons for importing silk and silk yarn?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM): (a) to (d) The Government of India resorts to import of raw silk as a canalised item through the Central Silk Board CSB only as a price stabilisation measure as and when required. In 1987, the Government had received a number of representations with prices of silk yarn from handloom weavers and others. For providing relief to the silk weaving industry, Government had allowed the CSB to import 100 tonnes of Silk Out of this a total quantity of 36 tonnes of raw silk has so far been received during 1988 and the same has already been allocated to identified weavers' organisations.

Forfeiture clause in saving schemes of Peerless General Finance and Investment Company

2413. DR. RATNAKAR PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that before the Supreme Court ruled otherwise the Peerless General Finance and Investment Company had a forfeiture clause for its various saving schemes;

(b) whether the forfeiture clause has been deleted after the Supreme Court judgement and if so, since what date;

(c) whether it is a fact that a sum of Rs. 250/- crores has accumulated as the total forfeited amount which should, in all fairness, be returned to the certificate holders; and

(d) if the answer to part (c) above be in the affirmative, what steps Government propose to take to return the amount to the share holders?